

Benefit Coordinating Committee

May 24, 2018

Attendance – Benefits, Nationwide – Jim Keeler, Hays – Charlie Broucek and Julie Hickey, Jim Thompson, Joyce Gilbride, Jeff Nichols, Chris Hall, Eric Valliere, Kelly Corsette, Katie Callaway, Ana Lia Johnson

Discussion items:

Additional Nationwide plans

We do plan to offer the Roth plan option soon. We wanted to get through the Munis payroll implementation and fiscal year and we can start that up again as well.

But, 2 other options that we will review with outside legal for approval:

Post-Employment Health Plan (PEHP)

- Allows an employee to elect a certain amount (tax-free) to set aside for future medical expenses after retirement
- Election can change annually only
- No annual limit on contributions
- Could use our current PEHP trust so that reimbursements can be made for premiums or medical expenses

401(a)

- Can have employer or employee mandatory contributions, but we could offer just employee mandatory contributions
- Separate \$55,000 (2018) contribution limits from 457 plan
- Can open it up to entire employee population or limit it to a specific group, such as Charter Officials;
- Must make decision within 2 years of roll out or new hire employment
- Irrevocable election while employed; if an employee elected 10%, they would contribute 10% for their entire career into the 401a
- Coordinate fund lineup with same pricing and investment menu as 457 plan, but would have a new plan document

Nationwide Communication Strategy

- Presentation shows samples of various communications based on various stages – newly eligible; newly enrolled; saver; transitioner and retiree
- Outside vendor to send emails – Merkle
- Members can opt out
- Any mailings will also be sent to Lauran Beebe so she is aware of all of the communication going out. BCC was in favor of having that communication started so we will proceed.

PSPRS Tier 3 members – This will probably not be the last of pension changes. A lot of government agencies all over the country are moving to defined contribution plans and not pension plans. This is the time to discuss what our intent will be going forward. Currently tier 3 members have the option to only choose a defined contribution plan; ordinance states in order to be eligible for sick time to be placed in the PEHP – post employment health plan, they have to take their pension. Do we want to make any changes or slowly phase out payments into the PEHP?